

Exhibit 340



Department of Health and Human Services
OFFICE OF INSPECTOR GENERAL
OFFICE OF INVESTIGATIONS



Management Implication Report Proposal

Title: Libby Montana Asbestos Environmental Exposure

1. Program (Identify the Department program, initiative, or benefit at issue):

2. Program Authorities (Identify the authorizing law as well as relevant agency rules and instructions for the program that is the subject of the MIR):

Title 42 U.S.C. 1395rr-1, Affordable Care Act Program for Early Detection of Certain Medical Conditions Related to Environmental Health Hazards.

Agency For Toxic Substances and Disease Registry Grant # 5U61TS000179-04

3. Program Description (Identify where the program, initiative, or benefit resides in the Department and describe how the program, benefit, or initiative is intended to function):

Funding was made available to Libby Montana per the Affordable Care Act Program for Early Detection of Certain Medical Conditions Related to Environmental Health Hazards. Specifically, \$10,000,000 was provided for screening, education, treatment, and public outreach for asbestos exposure following the designation of a superfund site. Individuals diagnosed with asbestosis qualify to receive Social Security Disability and Medicare benefits.

4. Problem (Explain the problem you have identified. Specifically, how does this problem hinder the efficient and effective operation of the program identified above?):

A conflict of interest has been identified with the recipient of the grant funds, Dr. Brad Black, owner of the Center for Asbestos Related Disease (CARD). It was intended that in order to remain free of conflict, B-Readers and qualified physicians are to make the asbestosis diagnosis. Language in the Notice of Award for Grant 5U61TS000179-04 includes the CARD clinic as a physician able to diagnose asbestosis.

5. Case File (Indicate the OI file number(s) of the investigation(s) in which you uncovered the problem. If you did not uncover the problem as part of an investigation, indicate "N/A"):

7-11-0-0558-4

6. Case Status: Are the OI file numbers listed closed?

No

If no, have you discussed the proposed MIR with the prosecutor's office?

Yes

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7. Case Description (Describe the investigation(s) listed above, with emphasis on how you became aware of the problem. If you did not uncover the problem as part of an investigation, describe the activity that led to the discovery of the problem):

OI has received complaints from Radiologists and Pulmonologists from the Libby area that have witnessed the CARD clinic and Dr. Brad Black over diagnosing patients with asbestosis.

8. Impact (Explain the negative impact that the problem poses for the Department):

9. Previous Reporting (List any known GAO, OIG, or media reports, including previous MIRs, related to the problem identified):

10. Recommendations: (Provide precise solutions the Department should implement to prevent or mitigate the problem):

Remove the CARD clinic from the grant language as an entity able to make asbestos related disease diagnoses.

REGIONAL CLEARANCE

Prepared by:

Reviewed by ASAC:

Reviewed by SAC:

HEADQUARTERS REVIEW

IA/IU Review:

OOSA IU Initial:

ASAC IU Initial:

Action:

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Comments:

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